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# China Report

ECONOMIC AFFAIRS

No. 138

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20 May 1981

# CHINA REPORT

## ECONOMIC AFFAIRS

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## NATIONAL POLICY AND ISSUES

### OPENING REMARKS AT THIRD SESSION, FIFTH GUANGDONG PEOPLE'S CONGRESS

Guangzhou NANFANG RIBAO in Chinese 25 Feb 81 p 1

[Text of remarks made by Li Jianzhen [2621 1017 4176]]

[Text] Fellow Delegates:

The Third Session of the Fifth Guangdong Provincial People's Congress is now in session.

Since the conclusion of the Second Session of the Fifth Provincial People's Congress, owing to the fact that the people of all of the nationalities of our province fully carried out the spirit of the Third Plenary Session of the 11th Central Committee and earnestly brought to fruition the resolutions adopted at the Second and Third sessions of the Fifth National People's Congress, and implemented the economic programs of readjustment, restructuring, rectification, and improvement; and special policies as well as flexible measures, major gains were achieved by work done in all areas. In 1980, our province again reaped bumper harvests, and industry, particularly light industry, achieved a fairly great degree of development, public revenues increased, and the commercial marketplace became comparatively active. There was fairly great development in the engagement of economic activities outside Guangdong and initial successes were seen in the building of special economic zones. There was an increase in the average income in the cities and the countryside, and there was a gradual improvement in the standard of living. In building political legitimacy, direct elections at the county level were carried out and the great majority of the elections in the counties and cities resulted in the strengthening of people's congress standing committees and people's governments, as well as of socialist democracy and the socialist legal system; the united and stable political situation was reinforced. With regard to the progress in these areas, the people of the whole province are satisfied and happy. Naturally, we still have difficulties at present. However, if we are but unswerving in continuing to carry out all the successful programs, policies and measures promulgated since the Third Plenary Session of the 11th Central Committee, these difficulties can be totally overcome.

In this current session, you will hear and deliberate on the report prepared by Deputy Provincial Governor Liu Tianfu concerning the work of the Guangdong Provincial People's Government, deliberate and pass for approval the report prepared by the Provincial People's Government concerning the Guangdong 1981 general economic plan, and deliberate and approve the Guangdong 1979 final



accounting of revenue and expenditure by the Provincial People's Government, the results of the implementation of the 1980 budget, and the report on the 1981 draft budget. During this session, you will hear and deliberate the report on work of the Standing Committee of the Guangdong People's Congress, reports on the work of the Provincial High People's Court and Provincial People's Procuratorate, and will hold special elections for deputy chairman of the Provincial People's Congress Standing Committee, committee members, decide the post of Provincial Governor and provide for an additional Deputy Provincial Governor.

Fellow Delegates: In December of last year, the CCP Central Committee convened a work conference in which it was resolved to carry out further economic readjustment and a further political stable program. This is a continuation and development of the spirit of the Third Plenary Session of the 11th Party Central Committee and is presently the only correct economic as well as political program in our country. In January of this year, the Provincial Party Committee of Guangdong convened a party delegates congress in which it was decided to pass on and carry out the spirit of the Central Committee's work conference. Our province's real situation was mentioned, and future work was discussed. The entire party membership and the people of the entire province were exhorted to reach common understanding and to act in a united fashion, to strengthen their unity and proceed with firm and indomitable efforts to thoroughly bring to fruition the important directives of the Central Committee. Achievement in readjustment, stabilization of the economy, and realization of a stabilized unity are basic benefits for the people of the entire nation and everything should be done in accordance with these main purposes. During this current session, we must closely integrate the resolute to carry out the implementation of the great programs enacted by the Party Central Committee with the putting into practice of special policies along with flexible measures. We must set forth from the point of departure of the realities of the situation in our province and seriously discuss and deliberate each item on our agenda, draw on collective wisdom and absorb all useful ideas, and pool the wisdom and efforts of everyone. We must adopt successful measures and expend efforts so that this session will become a meeting which truly mobilizes all the people of the province to carry out and bring to fruition and the spirit of the Party Central Committee's work conference, promotes smooth progress for our province's economic readjustment, strengthens the stable and united political situation, and goes one step farther in developing our province's excellent situation.

In this current session, we will discuss and decide major questions possessing great import with reference to the work of the entire province. It is hoped that each honored delegate will, in conformity with the spirit of developing democracy and being practical and realistic, "say all you know and say it without reserve," and fully reflect the ideas of the entire province's workers, peasants, intelligentsia, People's Liberation Army and patriots from all walks of life. You should offer criticisms and suggestions in all areas of work, conduct detailed deliberations of each item on the congress agenda, and reach correct decisions. Let us make joint efforts to conduct this session well, and make a complete success of the various congress missions.

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CSO: 4005/465

## ECONOMIC PLANNING

### WUHAN ISSUES PROVISIONS ON INDIVIDUAL BUSINESSES

Wuhan CHANGJIANG RIBAO in Chinese 23 Jan 81 p 2

[Article: "Provisional Regulations on Management of Individual Wuhan City Industrial and Commercial Businesses Issued"]

[Text] On the 6th of this month the peoples government of Wuhan city issued a circular "Provisional Regulations on Management of Individual Wuhan City Industrial and Commercial Businesses," the complete text of which is given below:

In order to invigorate the economy, improve living conditions, ensure the proper operation of individual industrial and commercial enterprises, and abolish illegal activity, the following temporary provisions have been specially formulated.

#### I. Individual Management Principals

1. Any unemployed youths, as determined in formal censuses in this city, or unemployed people from the society at large, may, on the basis of their own technical specialities or management capabilities, make application to local industrial and commercial management offices for consideration and approval by economic district and county industrial and commercial administrative management bureaus for issuance of business permits and permission to operate individually. Applications to operate business concerns of a special type must undergo examination and obtain concurrence from public security departments; those for foodstuffs concerns must undergo examination and obtain concurrence from public health departments; those for standards and measurement must undergo examination and obtain concurrence from standards and measurement administrative departments.

2. Small numbers of commune members in metropolitan suburban areas or in county villages requesting to operate businesses on an individual basis must obtain concurrence from production brigades in order to obtain consideration and approval by local industrial and commercial administrative management departments for issuance of business permits to operate at their location.

Craftsmen from farm villages who enter the city to operate businesses must possess certification by their production brigade or commune, must register with business district industrial and commercial administrative management departments and receive a provisional business permit. Craftsmen engaged in repair or manufacture of weighing apparatus must possess certification from local standards and measurement administrative departments. It is forbidden for farm village commune members to enter the city to engage in commerce in or the business of selling items to drink or eat.



3. Those who do not obtain the approval of industrial and commercial administrative management departments for issuance of business permits may not engage in business activities.

## II. Scope of Individual Management

1. Repair trades: repair of bicycles, metal products, wooden furniture, water and electric utilities installations, etc.

2. Service trades: sewing and darning, washing and ironing of picked padded clothing, wooden tub bathing, painting and whitewashing, barbering, portage, etc.

3. Commercial trades: small general merchandise stores, small hardware stores, and small stores selling local products, vegetables, aquatic products, miscellaneous foods, fruit, etc.

4. Eating and drinking trades: all kinds of snack shops.

5. Handicrafts: embroidery, carving, small living necessities and traditional handicraft product manufacture, etc.

6. Waste materials purchase will be managed by the appropriate service departments.

7. Those engaged in trades involving the weighing of people, charging a fee for the use of spring-grip dumbbells, selling water for tea, and selling popsicles will be managed by neighborhood [committees].

To change the scope of operations to that of an individual industrial or commercial business requires processing for a change in registration.

## III. Plan For Individual Management

Based on the principle of convenience to the masses, the plan for individual management should be flexible and multifaceted. Some may travel up and down streets and alleys and conduct business on the move; some may operate at a fixed location. Under some circumstances, some may open small shops, operate small workshops or change their operating locations, all of which must be approved in advance.

Individual retailers may, after obtaining the approval of industrial and commercial administrative management departments, engage in small-scale village selling and transport of fresh products and "type three" agricultural byproducts, within the scope permitted by policy.

Individual businesses with technological specialities may, based on the mutual agreement of all parties, take on one or two apprentices for the purpose of passing on the skills.

#### IV. Raw Materials and Supply of Resources for Goods for Individual Businesses

All of the raw materials and sources of goods required by individual industrial and commercial businesses will depend on the unified issuance by city industrial and commercial administrative management bureaus of "Wuhan City Individual Industrial and Commercial Business Goods Purchase Authorizations." State wholesale departments will supply [the materials and goods] based on wholesale prices. They will accord equal treatment without discrimination to all people and to collectively owned enterprises. The latter may also voluntarily make purchases at collective markets, brokers' storehouses, commune brigade enterprises, neighborhood enterprises, or handicraft workshops.

#### V. Individual Business Pricing

All individual industrial and commercial businesses which receive goods from state wholesale departments must present products for sale on the same basis as state-run sales of retail brands. Any [businesses] which voluntarily make purchases on the basis of negotiated prices must not realize a profit at a rate exceeding that realized for the same type of goods sold at a state-run [business]. Income for noncommercial products realized by repair and service establishments may not exceed the unified standard [amount] at state-run [enterprises].

#### VI. Tax Collection and Loan Funds

Individual industrial and commercial businesses should hand in tax moneys according to the regulations on state tax procedures. As regards those establishments run by youth who are "awaiting employment" and engaging in repair work, services, manual labor and other such occupations in which income is comparatively low, taxes may, according to the regulations on tax procedures, either be reduced or temporarily not be levied.

Individual industrial and commercial businesses may apply to open bank accounts and if operating funds are low may apply for small loans, in accordance with the bank's loan procedures.

#### VII. Strict Adherence to State Policies and Decrees

--Violation of pricing regulations is forbidden.

--Conducting of wholesale business is forbidden.

--Unauthorized changing of business scope and location is forbidden.

--Selling of foodstuffs which are unclean, mildewed or rotten, or otherwise toxic or harmful to human health, is forbidden.

--Disorderly placement of stalls and careless discarding of fruit peels and paper scraps, affecting the appearance of the city, public health or communications, are forbidden.

--Use of nonstandard weighing and measuring devices is forbidden.

--Shoddy work or use of inferior material, short-weighting or measuring, representation of inferior goods as standard, mixing lower grade goods with standard goods, are forbidden.

--Fraudulent purchase and resale or offering for sale of goods from retail stores is forbidden.

--Intercepting [farmers city-bound] on the road and pressuring them to sell [their goods], driving up prices of goods by cornering the market, or disturbing the marketplace are forbidden.

--Tax evasion or other avoidance of payment of taxes is forbidden.

Violators will be dealt with by being criticized or instructed, fined, having goods confiscated, or having business permits revoked, according to the severity of the circumstances, by industrial and commercial administrative management departments and other concerned departments. With regard to those committing crimes, public security and justice organizations will handle each case according to the law.

VIII. Individual industrial and commercial businessmen are independent workers. Their labor and social position should be accorded appropriate protection and respect. The income realized by industrial businessmen in the course of their operations cannot, in addition to being subject to payment of taxes in accordance with regulations and to marketplace management fees, be subjected to takeover, apportionment, or arbitrary added fees by any department, unit or individual. We must permit and assist individual industrial and commercial businesses in setting up the necessary, coalition-type organizations for the individual laborers, and their work will be guided by industrial and commercial administrative management departments.

IX. Peoples governments at all levels should intensify leadership. Departments involved in industrial commerce, public security, city administration, public health, commerce, supply and marketing, and neighborhoods should cooperate on a mutual basis, share work responsibility, and perform well the work of ideological education and management.

X. This provisional regulation is effective upon the date of promulgation. Conflicts arising between this regulation and a higher level new regulation will be resolved by adherence to the higher level regulation.

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## ECONOMIC PLANNING

### FORECASTING, BETTER MANAGEMENT CONTRIBUTE TO ECONOMIC SUCCESS

Beijing JINGJI YANJIU [ECONOMIC RESEARCH] in Chinese No 2, 20 Feb 81 pp 10-14

[Article by Yu Guangyuan /C060 0342 6678/]

[Text] The Problem of Forecasting in Economic Readjustment

Once the economic readjustment gets under way, shouldn't those provinces and cities which are good at economic research take up economic forecasting research? Our failure in the past to treat economic forecasting as a science has been one of the main reasons for our inadvertent economic performance. Could we begin now to get the work started? Let us ask some provinces and cities to get ready to forecast what is likely to happen in a particular province once the economic readjustment program is accomplished. This kind of scientific forecasting would be only experimental in nature at this point. We must not expect too much from it, nor should we raise our hopes too high. The purpose of this work is to learn to do it through practice. However, once it is set in motion, continued practice will breed a higher level of skill and bring into being a work force good enough to sustain a long-term forecasting system. If this kind of forecasting research was launched in all the provinces, municipalities and autonomous regions, it would be a great help to the economic work of the local leadership and those in charge of the national economy.

To formulate a policy scientifically, we must have a prevision of what we want to achieve, to have a blueprint in mind, so to speak. In carrying out the readjustment program, the responsible cadres of the provinces and municipalities must depend on economic forecasting to work out necessary and proper measures at the right moment. We as economists must also participate in this endeavor.

But how are we going to proceed with this kind of forecasting research? This is the question put to us economic workers by the comrades of the provinces and municipalities. We do not have an answer yet because we do not have the experience in this kind of scientific undertaking. But we must try it out, study it and acquire the skill.

These are what I have in mind: First, the very first thing to do in this kind of forecasting research is to ascertain the positive impact of the readjustment program once it is completed. What has it contributed to balancing revenue and expenditure,



international payments and material resources as well as the stability of the price of consumer goods? After cutting back the overextended line of capital construction, would more concentrated efforts on selective capital constructions speed up the growth of productivity? What positive effect would the readjustment program have on the renewal of existing equipment, the educational and technical level of the staff and workers, and the gradual rationalization of the industrial structure? The end-results of these would take time to materialize and may not be readily detected. There might also be cases of unbounded reaction. If we do not focus our attention on forecasting the positive effects, we might be biased, that would be detrimental to both our economic and politico-ideological work. Of course we must do the forecasting research well to cover all the problems which might occur in the progress of the readjustment and be realistic enough to foresee the problems which are likely to occur, and do not cover up any contradictions. The forecast should include computations of all human, financial and material resources as well as analysis of the ideological and living conditions of the masses. A timely decision depends on timely detection of the problems and preparations for their solution.

Second, the first step in this forecast is to ascertain the end-results of the state programs carried out in a particular province or municipality. The forecast results provide a basis for working out the kind of measures required to solve the problems encountered in the progress of the readjustment program. But this forecast alone is still inadequate because it may lead to several alternative measures. To formulate scientifically the measures needed to cope with all the problems which are likely to occur, we need forecastings of the possible results of all the options. A decision based on such forecastings is more scientific compared with one without them.

Third, before proceeding with the forecasting, we must sort out all the end-results and problems likely to occur in the progress of the readjustment and work out an outline based on research. This should include a day to day knowledge of the conditions in the province concerned, the basic data already gathered and an understanding of the ramifications of all the economic, political and social factors. The drafting of the outline is the first step of the forecasting research which in fact should begin as soon as possible. The outline should serve as a basis for establishing the forecasting research without losing time.

Fourth, the forecasting research covers not only every phase of the problems but also quantitative analysis. Consequently, the collection, computation and scientific analysis of data are all required to complete the research. Moreover, we have to study economic theories, theoretical research in economics and make use of our own experience (including formulas derived from experience).

Personally I believe this forecasting work is bound to be elementary. This does not mean we do not want to do sophisticated forecasting. We do. But meaningful sophisticated computation must be based on solid data. The statistical data we have are not accurate enough and we may not have all the data we need. So we must not expect the forecasting to be very sophisticated. It is unrealistic to expect too much. Since useful forecasting should predict what is likely to happen, "punctuality" is more important than "sophistication." It would be ideal if we had both "punctuality" and "sophistication." If it were impossible to have both, we would have to lower our requirement for "sophistication" in order to achieve "punctuality" in forecasting instead of wasting time chasing after "sophistication."



We need better organizational work to make the forecasting work a real success. For instance, under the existing conditions our organs of state power are much bigger than the organs of brain power. Compared with some countries, our statistical agencies, severely understaffed, are not charged with forecasting responsibilities. In talking to the people of a provincial bureau of statistics, I was told they do not do any forecasting at all. I presume this is true of all other provinces. It is not essential at this point to discuss who should run our future forecasting or whether it should be run by a separate agency because the forecasting research for the current readjustment program cannot wait until a forecasting agency is formally established. The best bet at present is to set up a temporary organization supported by all the sectors concerned. The forecasting could be handled now by the provincial departments concerned as they have the data and the manpower to do the job. But many departments are so preoccupied with their immediate tasks that they do not see the value of research. This is a drawback that is yet to be overcome though it does not pose any problems for the forecasting work being considered now because to forecast the end-results of the readjustment program is itself a task on hand which they are immediately interested in. Moreover, this forecasting task, too much for any one department to do it alone, is likely to attract the cooperation of all concerned. If the government assigned them the task, the great majority of them would chip in to finish the job. Of course we must provide these departments and individuals taking part in the forecasting research the necessary working conditions, such as cutting back the administrative duties of those comrades who participate in the project.

In spite of the initial successes due to the emphasis during the past 2 years on better management and the readjustment of the national economy, we have not paid enough attention to "management" which must be especially underscored both for the readjustment program and the long-term objectives of the four modernizations.

Management and administration, usually lumped together, are two different matters, differing in content and the problems each deal with. By administration (of course our socialist administration) we mean the coordination of the relations between individuals and the establishment of regulations and organizations to work favorably for our enterprises. However, to make an enterprise work well, we have to consider many problems and do a lot of work. Every economic unit, department or locality must study the actual conditions in order to work out the required measures to make its socialist enterprise succeed. These enterprises are in reality the components of the totality of the socialist enterprises of the state. The management must analyze the status of the development of these enterprises, analyze the favorable and unfavorable factors, make good use of the favorable factors and avoid the unfavorable ones so as to push forward the enterprises. Even though management and administration are closely related and intersect one another in certain areas, we do not propose to place administration under management or vice versa. Even though the scope of our administration is broader than in most foreign countries, still it could not cover management.

The management must play a leading role to insure the success of the readjustment program, a positive measure by which we strive to reinforce our advancing position. For instance, the readjustment program includes four essential measures, namely the "shutting down, suspension, merger and transfer" of enterprises. Although all four

are important, "shutting down" and "suspension" are rarely used unless absolutely necessary. A "merger" or joining together of several enterprises is within the area of management. Personally I think we could do much more with the "transfer" than the other three, and "transfer" falls within the purview of management.

I wish to discuss two major aspects of a successful management, namely the development of diversified operations and efficient management. I believe both agriculture and industry require diversified operations which had been blotted out in the past by our "one track" economic work. We often do not do what could and should be done and this has caused an inestimable loss to our socialist enterprises. If we had done well in diversified operations, the production would have developed much faster. Although diversified operations in agriculture have been going on rather successfully for several years, many production techniques are still not widely understood. This requires effective promotion. As for diversified operations in industry, I wish to dwell on one particular aspect, i.e. the production of more new brands of consumer goods. At present there are very few new products. We must realize that the production of new consumer goods enriches the lives of the consumers and earns profit for the producers. For many years the commercial service enterprise has been organized along mechanically designated categories to handle rigid items of business with very little flexibility and variety. The masses believe this ought to change.

To transform all the irrational organizations during the readjustment, it is usually essential to improve the planning vehicle. Personally I think it is advisable to encourage those enterprises not fully loaded with production tasks to organize their production and diversify their operations according to market demand so as to do away with the system of stereotype products which has existed for decades and to rationalize the structure of industry.

Once the direction of management and the lines of products are set, the next problem is economic efficiency, the core of economic work. The concept of economic efficiency carries two different implications. In the first place, it signifies economic results or economic gains. Although I have not seen anybody giving it such an explicit definition, that is what it really amounts to. Another implication is the amount of labor spent for a given activity. The latter implication is my definition of economic efficiency which means one who spends less labor than another to achieve the same economic result represents a higher degree of economic efficiency. To manage well, one has to consider and calculate economic efficiency before he does anything and know how to calculate it well, including both gains and losses as well as the way to minimize unavoidable losses.

A good management requires a manager with managerial spirit, a resolve to do everything possible to make an enterprise grow. This means he must be enthused positively over the enterprise he is engaged in. A private trader does have managerial spirit but that is for the pursuit of personal gains. What we encourage is a socialist managerial spirit to keep one's mind constantly on his work, to study it in depth and make an enterprise he works for do well in spite of personal hardships and pressure. This spirit has been found lacking among the personnel of many state-operated enterprises. We have not given enough attention to management and are too lenient in performance requirement, especially in the case of the staff and workers of the state-operated enterprises. We have not rewarded successful management, nor have we corrected or punished poor management. These in the long run have led to the waning of the socialist managerial spirit among the staff and workers of the state-operated enterprises. The matter must be completely corrected during the readjustment.

Now I propose to discuss exclusively the state-operated socialist enterprises. We have a traditional expression "to manage a business." This suggests that a business has to be managed; our commercial organs must remember this expression "to manage a business" and look to "management" for the completion of plans and earning of more profit because a successful management should provide bonuses for its staff and workers. Instead of raising commodity prices to gain more profit and more bonuses, our commercial and industrial organs ought to depend on management for their bonuses. Consequently, the cultivation of managerial spirit is extremely important. If the private traders could make a huge profit, why couldn't the state-operated businesses compete with them? In fact, we have free access to the profitable business channels developed by the private traders and command much more favorable trading conditions, including more capital, better transportation and information facilities. Why couldn't the state-operated commerce outstrip the private traders and enable the consumers and producers to enjoy the benefit of free flow of commerce? The crux of the matter is the lack of managerial spirit. I hope that commercial organs would raise their managerial spirit while competing with the private traders.

In addition to managerial spirit, one of the prerequisites of successful management is to learn and acquire the knowledge of management which could not be mastered unless we have the urge to develop the socialist enterprises. Although the knowledge of management, another ingredient of managerial ability, tells us how to manage our enterprises, it does not necessarily help us manage them successfully. Consequently, we need to have other ingredients of successful management, such as a fortitudinous pioneering spirit, campaigning ability and extensive social connections required to manage the enterprises well.

We have to bring up a large batch of capable managers well versed in business management. The capitalists place top priority on training their management staff. We should train capable young economic workers through education in schools and practical work. Those already in practical economic work should acquire the necessary knowledge of management and improve their managerial skill as they work.

#### Long-term Consideration

The most urgent task today is the readjustment. If we did not have a long-term view, the current work would be pursued blindly. The 5-year plans should be based on long-term planning. We must consider the strategy and measures for the long-term economic development of our country, work out scientific answers to and formulate more scientific programs for our long-term development. To do this, we have to study the conditions in China and discuss the principles and methods for tackling the problems of our long-term development which we must grasp firmly before the opportunity slips away. Personally I think it is extremely vital to work a long-term plan which covers not only an overall plan but also plans of the provinces and municipalities, the plans for developing specific regions and sectors and special engineering construction plans. These long-term plans should come under a coordinated system. I think the overall national plan must be based on the plans of the provinces, municipalities and autonomous regions. The former covers more ground than the latter, though most parts of the former are represented in the latter. This long-term plan should also be the plan for scientific, technological, social and economic development. The formulation of this long-term plan requires a tremendous amount of data

obtained through scientific investigations and research and extensive analysis and synthesis. A stronger conviction in the long-term development of our national economy and social growth based on scientific studies and directions confirmed by scientific proof will contribute immensely to the success of our socialist enterprises.

(This article is based on the minutes of a forum on comprehensive balance of the national economy held in Shenyang on January 7, 1981.)

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CSP: 4006/265



## FINANCE AND BANKING

### COIN RUMORS LEAD TO SPECULATION, SHORTAGES IN GUANGDONG

Guangzhou NANFANG RIBAO in Chinese 24 Dec 80 p 1

[Article: "Activities Harmful to Circulation of Fen Coins Must Be Stopped"]

[Text] Recently, many readers have sent letters in reaction to a rumor circulated in Shantou and other places to the effect that 5-fen coins minted in 1955 contain platinum and silver and that one 5-fen coin can be sold for several jiao. Several people with ulterior motives took the opportunity to engage in the illegal activity of purchasing 5-fen coins, creating a shortage of coins in circulation and serious inconvenience to business.

For this reason, this reporter paid a visit to the responsible person at the Guangdong Province branch of the People's Bank of China, who said that the talk about 5-fen coins containing platinum and silver was sheer fabrication, a rumor to mislead the people. The coinage issued by our country, without regard to its mint year, is all made of an aluminum-magnesium alloy and simply does not contain any platinum or silver. Buying coins at high prices influences the routine circulation of coins in the marketplace, and is in every respect the kind of illegal activity which disrupts the money market.

The responsible person at the provincial branch bank pointed out that for the past few years the volume of coinage put into circulation by our province has gradually increased and that the main reasons for recent coin shortages in several locations are as follows: First, in order to facilitate matters for the masses, the commercial departments increased the number of business points, to which is added the fact that there is lively trade at the cooperative markets in the villages, and a corresponding increase in the required amount of coinage circulation. Second, there are several business departments whose accumulated coins have not been turned back to the banks in timely fashion and so the turnover speed has been slow. Third, many among the masses and students have held on to coins and have not used them in a timely fashion in the marketplace. Fourth, some lawless elements have purchased coins, manufactured bogus "silver dollars," and disrupted the banking market.

In order to halt promptly the illegal activity of coin purchasing and accomplish the work pertaining to regulation of the coinage as well as its withdrawal from circulation, the provincial branch bank has issued a notification and hopes that all locations will adhere to the following few points: First, the people in the villages should raise their vigilance, not believe rumors, not spread rumors, and



when rumors and illegal coin-purchasing activities are discovered should denounce and expose them, and assist the government and concerned departments in making a timely investigation and disposition so that those who illegally purchase coins from the masses are punished for damaging the banking currency of the state. Second, each commercial department should on a regular basis take in and pay out coins acquired through the conduct of business and not just obtain them without releasing them. Coins received should, except for an amount suitable to be kept and used in making change, be promptly and punctually sent to the bank on the same day, in accordance with the system of cash reserve management promulgated by the State Council, to facilitate regulation of turnover and insure regular circulation in the market. Third, banks at all locations should take the initiative to cooperate closely with the various industrial, commercial and transportation departments in performing investigative studies, carry out the work pertaining to coin regulation and withdrawal from circulation, and at the same time cooperate with public security departments and industrial and commercial administrative management departments to strengthen control of the banking market and punish destructive elements who disrupt the banking market according to the law.

9420

CSO: 4006/202

## MINERAL RESOURCES

### GUANGDONG REPORTS URANIUM, IRON, PYRITE, TIN ORE FINDS

Guangzhou NANFANG RIBAO in Chinese 20 Feb 81 p 1

[Article by Cheng Dajun [2052 1129 0971]: "Uranium, Iron, Pyrite and Tin Ores Found in Guangdong"]

[Text] In Guangdong, scientific research is closely linked to economic construction and has been intensified on nonferrous, rare and energy minerals. General surveys, prospecting and long-range minerogenetic mapping have scored new achievements. Prospecting reports or manuals of reserves concerning the Jianshan iron mine in Pingyuan, the Maan coal mine in Gaoyao and the uranium mine in District 211, which are listed in state plans, have been submitted according to plan. Last year, the annual target for uranium metal reserves was fulfilled 100 percent and that for iron ore reserves 126 percent; the prospective was broadened for some old mining areas, and a lot of new mining sites with good conditions for mineralization were found. The provincial geological bureau 1980 meeting, held for the purpose of exchanging scientific and technical experiences, was concluded on 18 February.

In the Hongyan pyrite mining area in Yingde, 28 holes were drilled last year, and ore deposits from several meters to scores of meters thick were found in 25 holes. At the Shibankuang pyrite mine in Yunfushan, after the earth's surface was exposed and deep-drilling was carried out, satisfactory ore beds were found in two-thirds of the holes, with the apparent thickness reaching some 20 meters. The Guantian-Xishan pyrite mining area in Lufeng broadened its prospective reserves. Tin deposits were preliminarily verified at the Tiezhang tin mine in Zijin. New minerals were found at the Qishan tin mine in Loding, the Yinyan tin mine in Xinyi, the Jingu gold mine in Fengkai and the Hengshan tantalum mine in Guangning.

At the recent meeting held to exchange scientific and technical experiences, papers were read and appraised, 115 essays were selected and material awards were given. At the meeting, Vice Governor Ye Xuanping [5509 6693 1627] urged geological scientists and technicians to step up geological work to find mineral ores, to get a clear idea of our resources and to provide more mineral resources and geological data for the four modernizations program.

9780

CSO: 4006/257

## INDUSTRY

### HIGHER TECHNOLOGICAL LEVEL URGED IN MACHINE BUILDING

Beijing QUANGMING RIBAO in Chinese 25 Mar 81 p 2

[Commentator's Article: "Raise the Scientific and Technological Level of the Machine Building Industry in the Course of Readjustment"]

[Text] One important aspect of the national economic readjustment is to put the output of production materials and consumer goods into the proper proportion. At present, on one front we need to exploit the potential of currently available industries through improvements in technology, and on the other front great efforts should be made to develop the production of consumer products in response to the demands of people's livelihood and the domestic and foreign markets. The machine building industry bears the responsibility for providing technical equipment for the entire national economy; it is not only instrumental in providing technical improvements for the current industries, but it also serves as a base for providing the applicable advanced production means to boost the production of consumer goods. The current status of the Chinese machine building industry is not conducive to the national economic readjustment. Readjustment of the machine building industry is therefore an important and very significant issue in the readjustment of the national economy.

Due to the lengthy influence of "leftist" thinking, the machine building industry emphasized its service to heavy industry and neglected its services to agriculture, light textile industry, urban construction, and science and culture. Concerning development policy, there was unilateral emphasis on new construction and on increasing simple reproduction capability; technical improvements and aptitude renewal received little attention. Also neglected were capital construction related to scientific research, modernization of experimental and testing methods, and the research and development of fundamental technologies. In the policy of science and technology, high-level sophistication, specialization and frontier technology were pursued blindly. all this led to an irrational internal structure in the machine building industry, as manifested by the low quality, quantity and variety of machine products used in the production of consumer goods and the improper proportion of investments in capital construction and equipment versus investment in aptitude, science and technology. The consequences were that on the one hand production equipment was underutilized and on the other hand the scientific and technological level could not be raised because production was not on the right track and many jobs were involved in producing goods unsuitable for either domestic or foreign markets. Thus, the situation of the machine building industry became long on production and short on scientific research. To carry out the readjustment of the machine building industry, not only should the enterprise structure within the industry be rationalized and optimized and the production organizations specialized, but in the meantime the mechanical and scientific technology also need to be modernized.

A great deal of difficult and complex work will have to be carried out in order to raise the scientific and technological level of the Chinese machine building industry rapidly. Among the top priorities are putting the industry's science research policy on the right track and readjusting the mission and direction of scientific research. That is to say, we need to meet the demands of economic development, continuously raise the capability of solving key technical problems in production, and industrialize and socialize the achievements of scientific research as quickly as possible. At present, scientific research in the machine building industry should serve the following five areas: development of product varieties, improvement of product quality, conservation of energy, digestion and development of imported technology, and promotion of machinery product exports. Industry research departments should pay particular attention to the needs of the society and of peoples' livelihood and make their contributions toward producing great amounts of low-priced, good-quality consumer goods.

Economic and administrative actions in both production and scientific research of the machine building industry must be promoted from top to bottom to consolidate the specialties on a voluntary and mutually beneficial basis. Because of an irrational structure and low management standard, problems exist in the scientific research field of the Chinese machine building industry. The scientific research is disconnected from production, from the technology of developing consumer goods production, and from some of the most advanced contemporary technologies suitable to the situation in China, and there are also the problems of redundant construction and research projects. One of the important means of solving the problems of mismatch and redundancy is to consolidate specializations. As for the research system of the machine building industry, irrational organization of research institutes must also be corrected step by step. As an example, for the same new product the instrumentation research may be in one institute and the technology research in another, with little communication between them. This artificially impedes the development of scientific technology. Another example of these irrational situations is that many institutes work on the same new technology or material independently and cause a great amount of unnecessary repetition and waste of national manpower and resources, preventing the limited scientific research force from being sufficiently utilized. To solve these problems the boundaries of departments, professions and units must be broken down and consolidations must be made according to specialization. With the work divided, coordinated and matched scientifically, the scientific research force can then be gradually readjusted and the structure of the organization and manpower in science and technology rationalized. In the meantime, collaboration and joint efforts should take place between related research units and between research units and enterprises or colleges and universities in the form of research contracts and transfer of technology for compensation, as the case may be. Units with sufficient capability can also experiment with forming "united research and production organizations."

Simultaneous with strengthening their scientific research, the research units should also move toward the society and strengthen their technical services to enterprises. Through technical services, new conditions and new problems in the production process can be recognized in time and new topics can be proposed to increase the depth and level of scientific research work. This will also provide the production front continuously with advanced applicable technology and thereby speed up and promote the application of scientific research achievements and obtain better results in technology and economy.

In order to link up fundamental research, applied research and technical development more effectively, research units in the machine building industry should also make special efforts to strengthen the research and development of fundamental technologies



of a common nature, such as a new generation of material technology for machine building, new device technology based on new principles, the most advanced processing techniques, experiment and testing techniques, and computation and automation techniques in design. The machine building industry can satisfy the increasing demands of production only by expanding its necessary technology reserve.

Training of the technical force should be actively pursued. This period of further readjustment of the national economy is a good opportunity for systematic training and improvement of on-the-job technical personnel, staff and cadres. Various units should take this opportunity to step up their training of technical personnel, especially middle-aged and young workers, the backbone of the technical force, to improve their scientific and technological level and gradually achieve the intellectual and aptitude renewal of the entire profession in the machine building industry.

In the readjustment period, currently available testing and experimental facilities should be fully used by organizing united testing centers and the like. In the meantime, the equipment now used in testing and experiment bases should be further strengthened and the necessary experimental and testing capabilities should be supplemented.

In the national economic adjustment of the early 1960's, the scientific and technological level of the Chinese machine building industry was improved substantially and the distance from the level of foreign technology was decreased. This provided a good foundation for the great development of the machine building industry after that adjustment period. The current readjustment is a healthy and sober one. We have the precious experience of the past and we are in a better condition now. We believe that the scientific and technological endeavor of the machine building industry can be raised to a new level if everyone joins in with a will, takes the initiative and actively engages in thorough investigation, and carries out the readjustment rationally.

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## INDUSTRY

### JIANGSU TELEVISION, RADIO PRODUCTION UP IN 1980

Nanjing XINHUA RIBAO in Chinese 12 Feb 81 p 2]

[Article by Fan Mingyi [4636 2494 5030], Wei Wengao [7279 2429 7559]: "Jiangsu Produces More Television Sets, Radios in 1980"]

[Text] Jiangsu's electronics industry increased production of civil electronics products to meet the needs in the process of economic readjustment last year. The output of radios and television sets of even better quality increased more than 100 percent compared with the previous year.

The electronics industry provincial bureau set the following clear-cut targets last year: proceeding from the increasing material and cultural needs of the people, carry out technical and quality control of products; check, examine and approve some 2,000 kinds of old products listed in the provincial plans; complete the overdue procedures of putting designs in final form and strictly prevent products in which the design has not been put in final form from leaving the factory; and basically eliminate "three-bad" (bad blueprint, bad workmanship, non-standard) products. As a result of the control, the level of the electronics end products, high-grade products and up-to-standard products were generally raised, and more than 300 kinds of products were brought up to the top standards.

Output of 12-inch black-and-white television sets reached more than 300,000, a 115.6 percent increase over the previous year. The average breakdown-free working time was up to the standard set by the state. Wuxi's and Suzhou's "integrated circuit sets" reached more than 2,500 hours and the "discrete circuit sets" reached 1,700 hours. Despite continued growth, output of 12-inch black-and-white television sets, Panda brand, produced in Nanjing fell short of demand.

Jiangsu's output of radios increased 170 percent compared with the previous year. The two kinds of pocket-sized transistor radios produced by the Nanjing Radio Company and Wuxi Radio Plant No 5 are elegant, in good taste and easy to use, and they sell well in and outside the province. The transistor radios produced in Suzhou, Wuxi, Changzhou and Nantong have a good design and fine tone quality. They compare favorably with the tube radio sets of the same type.

Last year, Jiangsu's provincial electronics industry completed scientific research and trial-manufactured 181 new products, an increase of 11 percent compared with 1979. The trial-manufactured recorder ji-xin [2894 5361] has been tested and found to be up the level of the Japanese-made TN-65 ji-xin in terms of vibration, tape speed, current load and moment of force. In Wuxi, machinery has been installed to produce them for supply to the market.

9780

CSO: 4006/257

## INDUSTRY

### JIANGSU LIGHT, TEXTILE INDUSTRIES REPORT GROWTH IN JANUARY

Nanjing XINHUA RIBAO in Chinese 20 Feb 81 p 1

[Article by Chen Huizun [7115 1920 0971]: "Jiangsu Light Industry and Textile Industry Output Shows Great Growth and Heavy Industry Production Declines in January"]

[Text] Since the beginning of this year, Jiangsu industry and transportation organizations have vigorously implemented the readjustment policy and gained a firm hold on increasing production and practicing economy. The gross value of industrial output in January increased 2.2 percent over the same period of last year, with light industry and textile industry showing greater growth, 26.1 percent, over the same period of last year and reaching 54.5 percent of the gross value of industrial output. On the other hand, heavy industry output declined, with the largest decline and an unsatisfactory state of safety in production in the case of energy, metallurgical, engineering and chemical industries.

Measures were taken to adjust the direction of production, change the product structure, cut down output of products in excessive supply and increase output of products in short supply. In January, major light industry and textile industry products showed great increases compared with the same period of last year. These products included television sets, tape recorders, radios, sewing machines, chemical fibers, woolen cloth, woolen thread, silk, gunny sacks, bicycles, watches, beverages, sugar, matches, etc. The heavy industry departments organized production according to the requirements of economic readjustment. Cement, dressed coal, nitric acid, light machinery parts and bearings increased in varying degrees. The railway, highway and shipping departments satisfactorily fulfilled their passenger and freight service targets during the spring festival, when passenger and freight service sharply increased.

Comrades of many units in Jiangsu industry and transportation organizations analyzed the new situation and new problems arising from implementation of the readjustment policy this year. They broadened the spectrum of production with new success. For example, the Wuxi compressors plant adopted vigorous measures to change and replace old products and trial-manufactured equipment for the light and textile industries and has arranged 80 percent of its production tasks for the current year. But, not grasping the significance of readjustment, cadres of some units took a wait-and-see attitude and slackened their work, with the result that workers were confused, labor discipline slackened and production efficiency was impaired. This state of affairs should receive the attention of the leading departments concerned. Ideological education should be intensified and revolutionary enthusiasm aroused. Efforts should be exerted to carry out production effectively and make contributions to further economic readjustment and political stability.

## INDUSTRY

### BRIEFS

**JIANGSU TEXTILE MEETING**--A provincial textile conference attended by textile bureau chiefs opened in Nanjing 31 March. (Wang Yiluo), director of the Provincial Textile Bureau, made a report entitled "Implement the Policy of Readjustment, Strive to Raise the Standards and Achieve a Sustained Growth in Jiangsu's Textile Industry." The meeting will discuss concrete measures for the readjustment and made arrangement for this year's work. [Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 31 Mar 81]

**JIANGSU LIGHT INDUSTRY MEETING**--The Jiangsu provincial conference of light industry bureau directors, after 8 days in session, closed on 31 March in Nanjing. Directors of prefectural and municipal light industry, first light industry and second light industry bureaus, managers of arts and crafts companies, heads of planning and scientific and technological sections, and responsible persons of key research institutes and vocational schools, 127 people in all, attended the conference. They exchanged experiences, analyzed the situation of light industrial production in the 1st quarter of this year and discussed measures to ensure fulfillment of this year's production plans. Vice Governor Wang Bingshi spoke at the meeting. [OW091340 Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 1 Apr 81]

**ANHUI INDUSTRIAL PRODUCTION**--Vice Governor Huang Yu recently led a number of responsible members of departments concerned to Bengbu Municipality to hold an on-the-spot work meeting. They helped the municipality to solve its urgent problems in promoting industrial production in view of the fact that the total value of industrial output during January and February this year decreased by 10.5 percent compared with the same period in 1980. The meeting stressed the need to reduce production costs while promoting the production and gave specific instructions on promoting the production of cigarettes, bicycles and watches. [OW141357 Hefei Anhui Provincial Service in Mandarin 1100 GMT 6 Apr 81]

**JIANGSU INDUSTRIAL OUTPUT**--Jiangsu's industrial output value during the first quarter of this year rose by 4.1 percent compared with that in the same period last year. Its light industrial output value during the first quarter of this year rose by 9 percent compared with that in the same period in last year. The light industrial output value in the province now accounts for 56.8 percent of the total industrial output value. [Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 7 Apr 81]

**HUNAN RADIO, TELEVISION PRODUCTION**--In the first quarter of this year, Hunan Province produced 207,000 radio receivers and 8,500 television sets, an increase

of 150 percent and 250 percent respectively over the same period last year. [OW141243 Changsha Hunan Provincial Service in Mandarin 1100 GMT 9 Apr 81]

JIANGSU TEXTILE INDUSTRY--The total output value of Jiangsu's textile industry in the first quarter increased 16.2 percent over the same period last year. The industry's profits in the first quarter increased 12.58 percent over the same period last year. [OW151245 Nanjing Jiangsu Provincial Service in Mandarin 2300 GMT 13 Apr 81]

FUJIAN LIGHT INDUSTRY--The situation of production of the light industry in Fuzhou Municipality is fine. The total output value for the first quarter this year increased by 5 percent compared with the same period of 1980, and the profits of local state-run light industry enterprises increased by 10 percent. [Fuzhou Fujian Provincial Service in Mandarin 1035 GMT 16 Apr 81]

ANHUI LIGHT INDUSTRY--The Anhui Provincial CCP Committee and Provincial People's Government recently approved a report by the Provincial Economic Commission on stepping up the development of the light, textile and electronic industries, urging that best efforts be made to increase the production of consumer goods, which are urgently needed at markets, such as wrist watches, bicycles, sewing machines, television sets and radios. The quality should be further raised. [Hefei Anhui Provincial Service in Mandarin 1100 GMT 16 Apr 81]

FUJIAN LIGHT INDUSTRY--The second light industry department of Fujian Province sponsored a meeting on 17 April to award banners, certificates and money to a number of scientific research units and 12 advanced production units for their scientific and technical achievements. In 1980 the 2d light industry units turned out more than 6,600 kinds of new products. In the past 3 years, the scientific-technological personnel and production workers under the department have conducted scientific research and technical innovations, thus succeeding in improving the quality of products, increasing their variety and reducing the consumption of energy and raw materials. [Fuzhou Fujian Provincial Service in Mandarin 1035 GMT 17 Apr 81]

ANHUI INDUSTRIAL PRODUCTION--Recently, on the instruction of the responsible comrades of the Anhui Provincial CCP Committee, Vice Provincial Governor Huang Yu led a work group to grassroots units to solve problems in industrial production. Good results have been made. Anhui's first quarter industrial production was not satisfactory because some units and localities did not correctly understand and implement the readjustment policy and lacked enthusiasm. Therefore, from middle to late March, Comrade Huang Yu led comrades of relevant commissions, departments and bureaus to Bengbu, Anqing and Tongling. More than 400 problems were solved in 2 weeks. On returning to Hefei, the work group immediately worked out solutions for problems that could not be settled on the spot. Now most of the problems are settled. [Hefei Anhui Provincial Service in Mandarin 1100 GMT 18 Apr 81]

SHANGHAI LIGHT INDUSTRY--In an interview with a station reporter, (Liu Siren), director of the Shanghai Municipal Light Industrial Bureau, said that this year Shanghai will increase output of some 100 light industrial products urgently needed by the people by 50 percent. The products include popular-brand sewing



machines, fountain pens, films, thermos flasks, electronic wristwatches and bicycles. He also indicated that efforts will be made to produce new products to meet the people's needs. He expressed confidence that Shanghai will be able to overcome the various difficulties and fulfill these goals. [OW211159 Shanghai City Service in Mandarin 1130 GMT 20 Apr 81]

HEILONGJIANG LIGHT INDUSTRIAL ACHIEVEMENTS--Enterprises under the Heilongjiang Provincial Light Industry Bureau fulfilled their annual output value plan by 27.9 percent in the first quarter. The output of some 30 products including watches, clocks, sewing machines, bicycles, sugar and milk products surpassed the figure compiled in the same quarter of 1980 by more than 20 percent. Their first quarter output value was a 28.5 percent increase over the corresponding 1980 period. [Harbin Heilongjiang Provincial Service in Mandarin 1100 GMT 23 Apr 81]

GANSU INDUSTRIAL PRODUCTION--Jiuquan Prefecture, Gansu Province, scored achievements in industrial production in the first quarter. By the end of March, the total industrial output value was 24 million yuan, 24.2 percent of the annual target and an increase of 11.4 percent over the corresponding 1980 period. [SK240617 Lanzhou Gansu Provincial Service in Mandarin 1125 GMT 23 Apr 81]

GUANGDONG NATIONAL PORCELAIN FORUM--From 12 to 18 April, the national forum of manufacturing high-class porcelainware was held in Zhanjiang Prefecture. At the forum, the Lianjiang (Hongxing) Porcelainware Plant was cited as one of the five advanced units in the country for manufacturing high-class porcelainware. The Ministry of Light Industry awarded a banner to these units for their high-quality products. The plant has been producing porcelainware for 100 years. The plant is located in an area which has good, rich soil, used in making porcelain. Some representatives of 118 units from all over the country took part in the forum. [HK291422 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 28 Apr 81]

JIANGSU ELECTRONIC INDUSTRY MEETING--The Jiangsu provincial meeting of directors of prefectural and municipal electronic industry bureaus ended in Nanjing on 28 April. The meeting pointed out that in 1981 the electronic industry in Jiangsu will concentrate on readjustment, increasing production and practicing economy. The local electronic industry in Jiangsu registered a total output value of nearly 3.2 billion yuan in 1980, which accounted for 15.6 percent of the total output value of local electronic industries in the whole country. [OW290145 Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 28 Apr 81]

EXHIBITION OF PLASTIC PRODUCTS--Beijing, 1 May (XINHUA)--A national sales exhibition of plastic products sponsored by the Ministry of Light Industry opened at the Beijing Exhibition Center today. At this first national exhibition of plastic products, 28 provinces, municipalities and autonomous regions are represented. The exhibition is divided into six parts, devoted to products used in the home, agriculture, industry, construction, packing and packaging, and in medicine, education and sports. One thousand varieties of products with a total of 10,000 pieces are displayed. [Beijing XINHUA in English 0245 GMT 1 May 81]



## CONSTRUCTION

### COMMISSIONS ISSUE RURAL HOUSING STATISTICS

OW060750 Beijing XINHUA in English 0736 GMT 6 May 81

[Text] Beijing, May 6 (XINHUA)--Around five million Chinese peasant families built new homes or rebuilt their old houses last year, according to statistics from the State Capital Construction Commission and the State Agricultural Commission.

The newly-built and renovated homes, plus buildings constructed for public use by people's communes and their sub-divisions, had a total floor space of 300 million square meters.

The floor space of homes built and renovated in 1978 and 1979 was 200 million square meters each.

In China's countryside, most houses are privately owned and tax free. Urban residents, however, must apply to their work units or the municipal housing departments for a flat or a room.

The construction boom in China's rural areas mirrors the improvement in the peasants' livelihood over the past few years. Under the rural policies pursued since the overthrow of the gang of four in October 1976, the peasants are encouraged to increase their income through collective labor and private sideline production.

In the most prosperous areas almost all families have built new homes or renovated their old houses. One example is Jiaonan County in Shandong Peninsular, where 75 percent of the families had moved into new homes during the first half of 1980.

More than 6.2 million square meters of new housing was completed in the arid, disaster-stricken rural areas of northwest China's Gansu Province. This construction figure is the largest in local history.

In many areas of China, new houses are built with assistance from the local production brigades, which organizes the construction of the new buildings in accordance with a predetermined village layout plan.

A national contest in rural housing designs is under way. The purpose of the contest is to provide peasants with diversity in living quarters.

Peasants are urged to build their homes on wasteland or hillside, and in most populous areas, two or three-story apartment buildings are recommended.

CSO: 4020/185

## CONSTRUCTION

### WUHAN COMPLETES 218,000 SQUARE METERS OF HOUSING IN 1980

Wuhan CHANGJIANG RIBAO in Chinese 20 Jan 81 p 1

[Article: "Last Year Our City Built Nearly 220,000 Square Meters of Housing"]

[Text] In 1980, our city completed the construction of 218,000 square meters of housing. Including this amount, construction of 600,000 square meters of housing has been completed since 1978.

Last year, concerned departments in the city summed up what they had learned during the previous 2 years, and along with paying close attention to housing construction in new districts, they also paid attention to the construction of support facilities. The area of facilities completed last year in the three residential districts of Beihu, Echengding, and Hanyangerqiantou reached 100,000 square meters.

In order to arouse initiative and bring it into full play in all areas, last year they additionally adopted two complementary procedures. In addition to the city portion of housing construction, they implemented a procedure of "capital investment in and responsibility for each task through completion" in each district, suburb, county and farm, with each responsible for its own share of construction. Each district exercised independent authority for new housing construction, thus accelerating the rate by which construction progressed and raising the quality of the work. The city's six districts and suburbs all completed their construction tasks in advance of the planned date.

Last year, due to the cooperation of all locations, conditions were set down for completing the construction tasks. At sites purchased for housing construction, all the communes in Hongshan District took the interests of the whole into account and made great efforts to provide support. Organizations concerned with surveying, commodity supply, electric power and water supply, and city government building organizations and banks all gave the green light to the residential construction so as to insure that the preliminary construction work was completed both quickly and well.

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CSO: 4006/202

## CONSTRUCTION

### BRIEFS

**SHANGHAI CONSTRUCTION PROJECTS**--Shanghai has cancelled 43 capital construction projects, which are either impractical or not urgent. The total investments are about 137 million yuan, so that the money can be used in other urgent and housing construction projects. [Shanghai City Service in Mandarin 2200 GMT 15 Apr 81]

**LIAONING PRIVATE HOUSES**--At the current provincial meeting to exchange experiences in city residential housing construction, a responsible person of the Provincial City Planning Bureau said that cities and independent industrial and mining areas which have land to spare may organize individuals to build houses under the guidance of city planning departments and on the condition that land is allocated in a unified way. The responsible person said that we should eliminate the leftist thinking that houses can only be publicly owned and not privately owned. He stressed that those who want to build houses should obtain permission and follow the regulations formulated by the provincial government on city planning. [Shenyang Liaoning Provincial Service in Mandarin 1100 GMT 24 Apr 81]

**LIAONING NEW HOMES**--Shenyang, 23 Apr (XINHUA)--Peasant households, totaling 280,000, moved into new houses during 1980 in Liaoning Province, northeast China, according to provincial statistics. Peasants in Liaoning built houses with a total floor space of 14.96 million square meters last year, the largest since 1949. The figure is 2.7 times the number of homes completed in the cities and towns. Ninety-two percent of the new houses are brick or stone structure, provincial authorities said. Liaoning has a rural population of 23 million. The per capita floor space increased from 11.6 square meters in 1979 to 12.3 square meters in 1980. The housing construction drive followed agricultural development in 1979. Liaoning peasants had a per capita income of 115 yuan from production teams in 1979, 23 yuan more than the previous year. In 1979, the per capita income of the Ningguan production brigade in the suburbs of Shenyang, capital of Liaoning, was 503 yuan. Last year, peasants there constructed 20 two-story buildings compared with one in 1979. [Text] [Beijing XINHUA in English 1216 GMT 23 Apr 81]

CSO: 4020/185

## FOREIGN TRADE

### BRIEFS

**DALIAN HARBOR TRADE INCREASE**--Shenyang, 24 Apr (XINHUA)--Dalian Harbor, one of China's largest ports, handled a total of 844.31 million U.S. dollars' worth of export goods in the first 3 months of this year. This represents an increase of 8.19 percent over the same period of the previous year. Goods exported to Japan exceeded 551.52 million U.S. dollars, more than 60 percent of the total export volume in the first 3 months. The port, located on the southern tip of Liaodong Peninsula, northeast China, exports more than 600 varieties of goods, including hardware and mineral ores, chemicals, machinery, light industrial products, textiles, arts and crafts, cereals, foodstuffs and animal by-products. Exports of rolled steel, alarm clocks, pencils, woollen blankets, pyjamas and cigarettes among others doubled or increased by several dozen times. In the first 3 months of 1981, 160 varieties of goods were exported to Japan from Dalian, including crude oil, diesel oil, naphtha, gunny-bags and gym shoes. [Beijing XINHUA in English 1223 GMT 24 Apr 81]

CSO: 4006/304

## LABOR AND WAGES

### BRIEFS

**SHANGHAI TRADE UNION MEETING**--The Shanghai Municipal Trade Union Council held a meeting on 8 April to discuss the promotion of socialist spiritual civilization. Participants in the meeting said that a campaign on decorum and courtesy should be developed among the workers so that everyone would behave decorously and courteously. The trade union council decided that in celebrating this year's international labor day, efforts be made to publicize the communist ideal and ethics, the revolutionary spirit of fearing neither hardship nor death and the exemplary deeds in promoting decorum and courtesy. [OW141405 Shanghai City Service in Mandarin 2300 GMT 8 Apr 81]

**SHANGHAI WORKERS FORUM**--On 21 April, the Shanghai Municipal Trade Union Council held a discussion meeting of model workers and advanced workers to usher in the 1 May International Labor Day. Those present discussed on how to contribute to increasing production and practicing economy and increasing income and reducing expenditure. Kang Yanghe, Gu Dachun and Zhang Ruiying, vice chairmen of the All-China Federation of Trade Unions, and Zhong Min, secretary of the Shanghai Municipal CCP Committee, spoke at the meeting. Li Jiaqi, vice chairman of the Shanghai Municipal Trade Union Council, presided over the meeting. [Shanghai City Service in Mandarin 1130 GMT 21 Apr 81]

**SHANGHAI SAFETY MEETING**--The Shanghai Municipal People's Government held a mobilization meeting on 28 April to promote safety in production and labor protection. Vice Mayor Han Zheyi spoke at the meeting. He called for efforts to prevent accidents in production work and bring occupational diseases under control. [OW290145 Shanghai City Service in Mandarin 1130 GMT 28 Apr 81]

**HUNAN MODEL WORKERS MEETING**--The Hunan Provincial Trade Union Council held a discussion meeting of representatives of model workers and personnel who have contributed to the four modernizations in Changsha on 28 April. More than 40 model workers and personnel who have made contributions, representing the industrial, transport, finance, trade and other circles throughout the province, attended the meeting. Vice chairmen of the Provincial CPPCC Committee (Yuan Xuezhong) and Chen Yufa and representatives of the All-China Federation of Trade Unions attended the meeting. Liu Yue, standing committee member of the Provincial Party Committee and chairman of the Provincial Trade Union Council spoke at the meeting. [OW290145 Changsha Hunan Provincial Service in Mandarin 1100 GMT 28 Apr 81]

**XINJIANG MODEL WORKERS MEETING**--The Xinjiang Regional Trade Union Council held a discussion meeting on 28 April. Dozens of model workers, advanced producers



and advanced workers, representing the industrial, transport, capital construction, finance, trade, scientific research, cultural and educational fronts in the Urumqi area, attended the meeting to celebrate the 1 May International Labor Day. Yang Yiqing, vice chairman of the standing committee of the Regional People's Congress and secretary of the leading party group of the Regional Trade Union Council, spoke at the meeting. [OW290145 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 28 Apr 81]

**XINJIANG COMMENDATION MEETING**--The Xinjiang Regional CYL Committee held a meeting on 28 April to commend young people for their achievements in learning from Lei Feng and fostering new practices. Certificates of merit were awarded to 25 advanced collectives and 69 advanced individuals. Party and government leaders, Song Zhihe, Zhang Shigong, Han Jingcao, Zhang Siming, Ba Dai and Liu Zimo, attended the meeting. [OW290145 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 28 Apr 81]

**FUJIAN MODEL WORKERS**--On 30 April the national model workers of the province and some model workers of Fuzhou Municipality, totalling over 50 people, held a symposium to mark the 1 May International Labor Day. The symposium was sponsored by the Provincial Federation of Trade Unions. The model workers reported their achievements in work and production and proposed further economic readjustment. Xiang Nan, permanent secretary of the Fujian Provincial CCP Committee, addressed the symposium. He encouraged the model workers to become also models in upholding the four basic principles and working for the four modernizations. [Fuzhou Fujian Provincial Service in Mandarin 1035 GMT 30 Apr 81]

**ANHUI MODEL WORKERS**--On 29 April, the Anhui Provincial Federation of Trade Unions and the Hefei Municipal Federation of Trade Unions jointly held a symposium for model workers to celebrate the 1 May International Labor Day. Some 120 model workers from the industry, transport, capital construction, finance, trade, culture and scientific research fronts attended the symposium. (Yan Youmin), secretary of the Provincial CCP Committee; Yu Guangmao, permanent secretary of the Provincial CCP Committee and commander of the provincial military district; Huang Yu, vice governor of Anhui Province, and others were present. The model workers reported on achievements in economic readjustment and presented opinions on solving problems cropped up in the course of readjustment. [OW010516 Hefei Anhui Provincial Service in Mandarin 1100 GMT 30 Apr 81]

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## TRANSPORTATION

### BRIEFS

**SHANGHAI ROAD REPAIR**--On 17 April leaders of the Shanghai Municipal departments concerned had a discussion with representatives of factories along (Linshi) Road, which had been under repair over a long time and had much inconvenienced nearby residents and factories. At the discussion the construction unit promised to finish repairs so normal traffic could resume before 25 April. In the past few days, Yang Di, vice mayor, and (Luo Baihua), deputy director of the municipal capital construction commission, have inspected and supervised work on the road. [Shanghai City Service in Mandarin 2300 GMT 17 Apr 81]

**THROUGH TRAIN OVERTURNS**--Guangzhou, 23 Apr--At 3:08 a.m. on 23 April, a landslide occurred in the mountains along the railroad between Lianjiangkou and Boluokeng stations in Yingde County. A No 1706 freight train passing through the area affected by the landslide turned over. The train's engine car was thrust down the bank of the Beijing River, and four railroad cars turned over and one came apart. No serious injuries or casualties were reported among the train crew. Trains running from Beijing to Guangzhou and from Shanghai to Guangzhou were blocked. Guangzhou railroad subbureau sent two emergency trains to the scene this morning. One of them was a special emergency train. It is expected that the railroad will be repaired at 12:00 a.m. on 24 April. At present, 21 freight trains and 7 passenger trains are being held up in northern Guangdong. It is expected that trains from Guangzhou to Beijing will resume service at 6 a.m. on 24 April. [Text] [HK240746 Hong Kong WEN WEI PO in Chinese 24 Apr 81 p 1]

**JIANGSU'S LIANYUNGANG PORT**--The dredging of Jiangsu's Lianyungang Harbor for April was completed 3 days ahead of time. On 28 April the State Council sent a message congratulating the staff members, workers and local PLA commanders and fighters on the successful conclusion of their task. The message praised the leadership exercised by the Jiangsu Provincial People's Government and the Lianyungang Municipal People's Government in mobilizing all departments concerned to fulfill the task and called for continued efforts to dredge the harbor and insure the smooth operation of the port. [Nanjing Jiangsu Provincial Service in Mandarin 2300 GMT 28 Apr 81]

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## GENERAL

### SONG RENQIONG SPEAKS ON WORKERS' CONGRESSES

OW291328 Beijing XINHUA in English 1315 GMT 29 Apr 81

[Text] Beijing, April 29 (XINHUA)--Song Renqiong, member of the secretariat of the Communist Party Central Committee, today enjoined all enterprises in China to make efforts to draw in the broad masses of workers to participate in management.

Speaking at today's meeting of party and state leaders with labour heroes on the eve of May Day, he described workers' congresses in enterprises as a good form for developing democracy in the factories and bringing the workers' potential into full play. The practice of this system, he said, will strengthen and improve party leadership and mobilize the workers to be conscientious builders in China's modernization program.

He announced that a national conference on democratic management of enterprises will be held in May between economic, organizational and trade union departments.

"Fairly good results have been made in the readjustment of the national economy and, in some aspects, the results are better than anticipated," Song Renqiong said. The entire national economy has gradually embarked on the road of rational and coordinated development. The lively political situation in which there are both stability and unity has been further developed. The people's livelihood has been improved step by step.

Addressing the model workers, he quoted a popular saying, "A single flower cannot represent spring, but tens of thousands of blossoming flowers will make spring." He urged model workers throughout the country to unite with the broad masses of workers, especially the young people, to lead them to go forward and make common progress.

Young workers under 30 now account for over 60 percent of the total number of workers. "Their training and education is a major task concerning the future and destiny of our country," he stressed.

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## GENERAL

### CIVIL DEFENSE SHELTERS USED AS QUARTERS FOR UNEMPLOYED

Beijing BEIJING RIBAO in Chinese 21 Mar 81 p 1

[Report and comment: "Utilizing Civil Defense Shelters To Open Up Quarters for Production and Services: Head Office of Production and Service Cooperative Places 2,000 Youths Awaiting Employment"]

[Text] The head office of the Production and Service Cooperative of this municipality, in suiting measures to local conditions by utilizing civil defense shelters to open up quarters for production and services, has achieved fairly good results. According to preliminary statistics compile by 10 districts on the outskirts of the city, 47 such civil defense shelters have already been utilized, totaling altogether more than 20,000 square meters of floors pace. Of these, 22 are set up as hotels and 25 are used as production grounds and warehouses; together, they have accommodated nearly 2,000 youths awaiting employment.

Along with the development of street collective economy in these past few years, available grounds for production and services have become fewer and fewer; this has raised difficulties in the accommodation of youths awaiting employment. In such circumstances, the joint cooperatives of many districts and streets have begun to tap the potential of underground facilities through self-operation, joint operation, and similar forms. The Fengsheng Street Joint Cooperative of Xicheng District has turned a civil defense shelter of 500 square meters into a hotel, with heating and sanitation equipment installed; it provides 126 beds and accommodates 18 youths awaiting employment. Since it started operation, the hotel has already accommodated more than 60,000 persons among the capital-bound tourists and thus played a positive role in relieving their "difficulties in finding hotels." Some districts or streets have also set up places of production in their civil defense shelters and basements of multistory buildings for such trades as clothing, leather goods, transcribing and printing, crocheting, mending and embroidering, cloisonne enameling, etc. The original factory building of the Zhengyang Garment Factory under the jurisdiction of the joint cooperative of Qianmen Street in Chongwen District had become dilapidated because of a lack of timely repair for many years and could no longer continue to be used as a place of production; so an underground facility of some 800 square meters was built under the original factory building and the factory was moved in there. Thus, not only has the area of the factory housing been expanded but conditions have been created for accommodating youths awaiting employment.

(Wang Futian [3769 4395 3944], Liu Boyuan [0491 0130 0337])

## Let Underground Facilities Serve Society

In the process of energetically opening up our collective economy at present, the lack of sufficient production and service grounds constitutes a rather notable problem. According to statistics compiled by relevant departments, there are only 300,000 square meters of housing available for street collective enterprises in our municipality, with an average of 1.6 square meters per person; thus there is a considerable shortage of both production and operational grounds. How can this problem be solved? Some districts and streets in our municipality have utilized underground facilities to run handicraft factories and hotels, etc; this is a good approach. Today, our country still faces difficulties in its economy; there is no possibility of investing large sums on constructing factory housing and networks and points of commercial services. Therefore, units that are attempting to establish their collective economy must share the concerns of the state, demonstrate their understanding of the difficulties the state faces, and practice self-reliance to create conditions and tap potential resources, so as to operate more commercial services and absorb more youths awaiting employment, according to the needs of the state and the masses. The units with underground facilities must proceed from the whole situation and actively support the development of the collective economy; where conditions obtain, idle underground facilities should be turned over to collective enterprises for utilization as much as possible. This would help both maintain and manage such underground facilities, give scope to the effects of investment, accommodate more youths awaiting employment and promote social stability and unity.

(editor's comment)

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## GENERAL

### BRIEFS

**ANHUI FIRE PREVENTION MEETING**--A meeting to appraise fire-prevention work in various localities of Anhui Province concluded on 11 April in Hefei. The meeting was held by the provincial fire prevention and safety committee in connection with a provincewide fire-prevention-contest campaign which lasted 100 days from November 1980 to February 1981. Cheng Guanghua, standing committee member of the Provincial CCP Committee, vice provincial governor and chairman of the provincial fire prevention and safety committee, spoke at the meeting, urging more efforts to prevent fire. Eight prefectural administrative offices and eight municipalities received awards at the meeting, and representatives from several localities spoke on their experiences in preventing fire. [Hefei Anhui Provincial Service in Mandarin 1100 GMT 11 Apr 81]

**JILIN PER-CAPITA INCOME**--In 1980 Jilin Province had 796 production teams and brigades with annual per capita incomes of over 300 yuan. Some 96 had incomes of over 400 yuan. This figure is three times that of the 1979 figure. [SK140127 Changchun Jilin Provincial Service in Mandarin 2200 GMT 13 Apr 81]

**FUJIAN PRODUCTION SAFETY**--On 14 April, the Fujian Provincial People's Government held a provincewide broadcasting meeting to commend 152 advanced units and individuals in production safety. Presided over by Vice Governor Wen Fushan, the meeting was held in 9 localities attended by more than 8,000 people. Vice Governor Wu Hongxiang addressed the meeting, saying that it was a consistent policy of the party to ensure production safety and safeguard the people's lives and property. He noted that there had not been significant changes in the province's production safety despite last year's "safety moth" activity and urged leaders and workers to do safety work in a regular and systematic manner. [Fuzhou Fujian Provincial Service in Mandarin 1035 GMT 14 Apr 81]

**ANHUI PRODUCTION SAFETY**--On 12 April, the Anhui Provincial Economic Commission, the Provincial Labor Bureau and seven other departments jointly held a provincial meeting to mobilize people to engage in safety activities in May. (Hu Xiangnong), vice chairman of the Provincial Production Safety Committee and director of the Provincial Labor Bureau, presided over the meeting. Vice Governor Huang Yu gave a speech. He said that the number of accidents in industrial enterprises and agricultural establishments in 1980 was respectively 15.21 percent and 40.17 percent lower than 1979, but that accidents in mines and factories were still frequently reported, chiefly because of insufficient efforts in safety education and relaxation in management. This necessitates the launching of a safety propaganda and education campaign in May to involve people from all trades in safety work. [Hefei Anhui Provincial Service in Mandarin 1100 GMT 14 Apr 81]

ZHEJIANG STATISTICS SOCIETY--The Zhejiang Provincial Statistics Society was inaugurated in Hangzhou on 22 April. (Xu Gang), deputy director of the State Statistics Bureau, and leading comrades of other departments concerned attended the inauguration meeting. Over 200 representatives from the province's various statistical departments attended the meeting and elected the society's board of directors. (Li Wenhao), director of the Zhejiang Provincial Bureau of Statistics, was elected president of the society. [Hangzhou Zhejiang Provincial Service in Mandarin 0400 GMT 25 Apr 81]

GANSU PER CAPITA DISTRIBUTION--Zhangye Prefecture, Gansu Province, scored initial achievements in developing the collective economy and household sideline production. In 1980 the average per capita distribution of the people in the rural areas of Zhangye Prefecture was 123.62 yuan, an increase of 20 yuan over 1979. Income from agriculture, forestry, animal husbandry, sideline production and fishery totaled some 194 million yuan, an increase of 13.2 percent over 1979. [SK290802 Lanzhou Gansu Provincial Service in Mandarin 1125 GMT 28 Apr 81]

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